

1 AN ACT in relation to public aid.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 5-5.4 as follows:

6 (305 ILCS 5/5-5.4) (from Ch. 23, par. 5-5.4)

7 Sec. 5-5.4. Standards of payment; ~~Payment~~ Department of
8 Public Aid. The Department of Public Aid shall develop
9 standards of payment of skilled nursing and intermediate care
10 services in facilities providing such services under this
11 Article which:

12 (1) Provides for the determination of a facility's
13 payment for skilled nursing and intermediate care services on
14 a prospective basis. The amount of the payment rate for all
15 nursing facilities certified under the medical assistance
16 program shall be prospectively established annually on the
17 basis of historical, financial, and statistical data
18 reflecting actual costs from prior years, which shall be
19 applied to the current rate year and updated for inflation,
20 except that the capital cost element for newly constructed
21 facilities shall be based upon projected budgets. The
22 annually established payment rate shall take effect on July 1
23 in 1984 and subsequent years. Rate increases shall be
24 provided annually thereafter on July 1 in 1984 and on each
25 subsequent July 1 in the following years, except that no rate
26 increase and no update for inflation shall be provided on or
27 after July 1, 1994 and before July 1, 2001, unless
28 specifically provided for in this Section.

29 For facilities licensed by the Department of Public
30 Health under the Nursing Home Care Act as Intermediate Care
31 for the Developmentally Disabled facilities or Long Term Care

1 for Under Age 22 facilities, the rates taking effect on July
2 1, 1998 shall include an increase of 3%. For facilities
3 licensed by the Department of Public Health under the Nursing
4 Home Care Act as Skilled Nursing facilities or Intermediate
5 Care facilities, the rates taking effect on July 1, 1998
6 shall include an increase of 3% plus \$1.10 per resident-day,
7 as defined by the Department.

8 For facilities licensed by the Department of Public
9 Health under the Nursing Home Care Act as Intermediate Care
10 for the Developmentally Disabled facilities or Long Term Care
11 for Under Age 22 facilities, the rates taking effect on July
12 1, 1999 shall include an increase of 1.6% plus \$3.00 per
13 resident-day, as defined by the Department. For facilities
14 licensed by the Department of Public Health under the Nursing
15 Home Care Act as Skilled Nursing facilities or Intermediate
16 Care facilities, the rates taking effect on July 1, 1999
17 shall include an increase of 1.6% and, for services provided
18 on or after October 1, 1999, shall be increased by \$4.00 per
19 resident-day, as defined by the Department.

20 For facilities licensed by the Department of Public
21 Health under the Nursing Home Care Act as Intermediate Care
22 for the Developmentally Disabled facilities or Long Term Care
23 for Under Age 22 facilities, the rates taking effect on July
24 1, 2000 shall include an increase of 2.5% per resident-day,
25 as defined by the Department. For facilities licensed by the
26 Department of Public Health under the Nursing Home Care Act
27 as Skilled Nursing facilities or Intermediate Care
28 facilities, the rates taking effect on July 1, 2000 shall
29 include an increase of 2.5% per resident-day, as defined by
30 the Department.

31 Rates established effective each July 1 shall govern
32 payment for services rendered throughout that fiscal year,
33 except that rates established on July 1, 1996 shall be
34 increased by 6.8% for services provided on or after January

1 1, 1997. Such rates will be based upon the rates calculated
2 for the year beginning July 1, 1990, and for subsequent years
3 thereafter shall be based on the facility cost reports for
4 the facility fiscal year ending at any point in time during
5 the previous calendar year, updated to the midpoint of the
6 rate year. The cost report shall be on file with the
7 Department no later than April 1 of the current rate year.
8 Should the cost report not be on file by April 1, the
9 Department shall base the rate on the latest cost report
10 filed by each skilled care facility and intermediate care
11 facility, updated to the midpoint of the current rate year.
12 In determining rates for services rendered on and after July
13 1, 1985, fixed time shall not be computed at less than zero.
14 The Department shall not make any alterations of regulations
15 which would reduce any component of the Medicaid rate to a
16 level below what that component would have been utilizing in
17 the rate effective on July 1, 1984.

18 (2) Shall take into account the actual costs incurred by
19 facilities in providing services for recipients of skilled
20 nursing and intermediate care services under the medical
21 assistance program.

22 (3) Shall take into account the medical and
23 psycho-social characteristics and needs of the patients.

24 (4) Shall take into account the actual costs incurred by
25 facilities in meeting licensing and certification standards
26 imposed and prescribed by the State of Illinois, any of its
27 political subdivisions or municipalities and by the U.S.
28 Department of Health and Human Services pursuant to Title XIX
29 of the Social Security Act.

30 The Department of Public Aid shall develop precise
31 standards for payments to reimburse nursing facilities for
32 any utilization of appropriate rehabilitative personnel for
33 the provision of rehabilitative services which is authorized
34 by federal regulations, including reimbursement for services

1 provided by qualified therapists or qualified assistants, and
2 which is in accordance with accepted professional practices.
3 Reimbursement also may be made for utilization of other
4 supportive personnel under appropriate supervision.

5 (Source: P.A. 90-9, eff. 7-1-97; 90-588, eff. 7-1-98; 91-24,
6 eff. 7-1-99; 91-712, eff. 7-1-00.)